IN THE HIGH COURT OF JUDICATURE AT BOMBAY

O. O. C. J.

WRIT PETITION NO.505 OF 2005

Hindustan Lever Ltd. ...Petitioner.

Versus

Hindustan Lever Research Centre

Employees Union & Ors. ...Respondents.

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Mrs.Mitra Das with Ms.Vasanti G.Kunder for the Petitioner.

Mr. S.K. Talsania with Mr.Kiran Bapat for the Respondents.

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CORAM : DR. D.Y. CHANDRACHUD, J.

March 14, 2005.

P.C.:

A Part-II award of the Industrial Tribunal, in so far as it grants interest, has been challenged in these proceedings under

Article 226.

2. Demands were pending since 1986 in respect of the hourly rated and subordinate staff as well as the monthly paid staff of the Petitioner employed in three establishments, namely, (i) the Head Office; (ii) the Bombay Factory and (iii) the Research Centre. A settlement was arrived at in respect of the hourly rated and subordinate staff of the Head Office on 10th January 1992. On 27th August 1992, the Union addressed a letter to the management contending that there was an age old parity between the workmen of the Petitioner employed in similar categories at the Head Office, the Bombay Factory and the Research Centre. Since this plea was not acceptable to the management, conciliation proceedings took place and eventually a reference to adjudication, Reference 11 of 1994, was made by the appropriate Government. Subsequent thereto, references were also made in respect of the monthly paid staff at the Head Office, the Bombay Factory and the Research Centre. On 2nd May 1997, the Industrial Tribunal made a Part-I award in which it

directed that the benefit of the settlement at the Head Office shall also be given to the workmen who form the subject matter of the present proceedings, namely, hourly rated and subordinate staff at the Research Centre. A Writ Petition was filed before this Court to challenge the Part-I award, but in the meantime, the management did not seek any interim stay and implemented the Part-I award with effect from July 1997. The Petition against the interim award was rejected by a Learned Single Judge of this Court, Mr.Justice S.Radhakrishnan, on 29th October 2002 together with a batch of other petitions. In the interregnum, final awards had already been delivered by the Tribunal in respect of the monthly paid staff at the Head Office, the Bombay Factory and the Research Centre on 11th September 2000 in which interest at the rate of 15% p.a. was given to the workmen on the outstanding dues which the management was directed to pay. These awards were also the subject matter of challenge before the Learned Single Judge and the entire batch of Petitions was disposed of. Mr.Justice S. Radhakrishnan while dismissing the Petitions, inter alia confirmed the award of the

Industrial Tribunal in so far as the grant of interest at the rate of 15% p.a. is concerned. The Court has been informed that the management has accepted the order of the Learned Single Judge and paid the quantum of interest as directed.

3. In so far as the controversy in the present petition is concerned, the Part-I award dated 2nd May 1997, granted a revision of wages to the workmen and, as already noted earlier, the management implemented the award. The Petition filed by the management challenging the Part-I award was dismissed. The only question that survived was in regard to the payment of interest. The judgment delivered by Mr.Justice S.Radhakrishnan on 29th October 2002 ruled that there has been in existence a parity of service conditions between corresponding categories of workmen at the Head Office, the Bombay Factory and the Research Centre. In the reference which arose in respect of the monthly paid staff at the Head office, the Bombay Factory and the Research Centre, the workmen were granted interest at 15% p.a. and which was affirmed by this

Court. The management having accepted the aforesaid directions contained in the order of this Court dated 29th August 2002, the Industrial Tribunal, in my view was justified in holding that the principle of parity would require the payment of interest to the hourly rated and subordinate staff at the Research Centre (to whom this Petition relates) at the rate of 15% p.a. on the same basis on which it has been granted to the workmen in the other establishments. The Industrial Tribunal noted that on grounds of equity and good conscience and in order to follow the principle of parity, the management could have agreed to the disposal of the reference on a joint purshis. Instead, the matter was kept pending and was contested.

4. The view taken by the Industrial Tribunal that the order of this Court dated 29th October 2002 in regard to the grant of interest should be applied to the facts of this case as well, is in my view a correct approach for the Industrial Tribunal to have adopted. Counsel appearing on behalf of the First Respondent has placed on the record

a chart which shows that in all cases the Charters of demand were pending since 1986; the first settlement at the Head Office was dated 10th January 1992 which was implemented by the management in January 1992. Since the management did not extend the benefit of that settlement to other establishments, references had to be filed and accordingly, adjudication took place. Part-I awards were passed by the Industrial Tribunal in those references including the reference in the present case. The Part-I awards were progressively implemented by the management. Thereafter, on adjudication, final awards were made in which interest at the rate of 15% p.a. was allowed. The chart demonstrates ex-facie that the principle of parity which has been applied has been correctly applied. Undoubtedly, in matters involving the award of interest, individual circumstances have to be borne in mind. However, in matters of industrial adjudication, a parity of service conditions to a body of workmen is equally important in order to obviate industrial unrest. A state of uncertainty and dissatisfaction would emerge if a set of benefits provided to a body of workmen is not made available to a similarly situated set of workmen.

Counsel for the Petitioner, it must be noted, does not dispute the principle of parity which in any event has emerged from the judgment of this Court dated 29th October 2002; a judgment accepted by the management and duly implemented. Therefore, considering the matter from any perspective, the order of the Industrial Tribunal does not warrant interference under Article 226. The Petition shall accordingly stand dismissed.

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